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A committee appointed to examine the state of communications between the federal government and institutions of higher education defined the federal role as no longer purely supportive but one of primary responsibility for the destiny of higher education. Because the government is uniquely able to provide overall strengthening to academic institutions on which it is dependent for services and training, and because state boundaries have little meaning for many aspects of higher education, a statement of national goals has become imperative. A nationally controlled system is, however, strongly opposed. A viable process through which educational administrators can formulate national policies is needed, for current patterns of federal support are inadequate and inconsistent. The committee recommended establishment of long range goals, such as equal access to higher education for all qualified students and the provision of adequate facilities and support, and long range policies concerning funding. A National Council on Higher Learning should be created and located in the Office of the Secretary of HEW to serve as a forum for discussion of major issues. The formal liaison between government and higher education, the Council should be composed of 15 members selected as outstanding experts in the field and not as association representatives. Further, the Federal Interagency Committee on Education should be strengthened sufficiently to coordinate all federal programs in education. (JS)

ED025990

REPORT OF

THE ADVISORY COMMITTEE ON HIGHER EDUCATION

TO THE

SECRETARY OF HEALTH, EDUCATION, AND WELFARE

July 1, 1968

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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REPORT OF THE ADVISORY COMMITTEE ON HIGHER EDUCATION

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JULY 1, 1968

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July 1, 1968

The Secretary of Health, Education and Welfare
Washington, D.C.

Dear Mr. Secretary:

I have the honor to submit the Report of the Advisory Committee on Higher Education. The Committee was appointed by the Secretary of Health, Education, and Welfare in April 1967 and was asked to make its report by July 1, 1968.

The Committee has held five meetings since it was established. Almost all aspects of the Federal role in higher education were discussed at these meetings. Because the Committee and Secretary Gardner felt that the problems of communication between the Federal Government and the institutions of higher education were the most important of all, we have concentrated our attention primarily in this area.

We gratefully acknowledge the assistance and cooperation of the members of your staff.

Respectfully submitted,

W. Clarke Wescoe
Chairman

REPORT OF THE ADVISORY COMMITTEE ON HIGHER EDUCATION

Argument

We were appointed by the Secretary of Health, Education, and Welfare in April, 1967, to examine the state of communications between the Federal Government and institutions of higher education. In pursuing our task, we soon discovered that the issues and needs far transcended our assignment. What was required, we saw, was nothing less than a totally new and completely candid statement of the Federal role itself in higher education.

We have taken as the starting point for our analysis of the Federal role the dramatic movement of higher education in recent years to the very center of the nation's life. This development is a function of two powerful new forces: the heavy dependence of the society on knowledge, and hence the production of knowledge, and a vastly increased demand for advanced education by the citizenry.

So central have research and higher learning become to the security of the nation, to its international position, to its economic growth, to its scientific and technological advancement, to the health, welfare, and social aspirations of the American people, and finally to the quality of their lives, that the national government has now become heavily dependent on the institutions of higher education. To meet a series of crises extending from the Second World War to the present day, government has called upon our colleges and universities for research, for advice, for training, and even for overseas operations. The support of these activities has served important national purposes. Inevitably, in the process, the Federal Government has transformed its relationship with the

academic world and has moved inadvertently into a position of primary responsibility for the destiny of higher education. As yet unaware of the implications of this responsibility, Government has, however, acted in direct support of higher education hesitantly, fitfully, and without clear goals or a comprehensive set of related policies.

The consequences of Federal participation without such goals and policies are already visible: distortion of academic development, disruption of institutional integrity and the imposition of burdensome, sometimes inconsistent, administrative regulations. Want of concern for the impact of Federal funding on individual colleges and universities as institutions has, furthermore, left some unaided, others selectively assisted and a few heavily committed to Federal programs. Some institutions receiving no aid face extinction, those receiving selective support suffer internal distortions, while those heavily dependent on Federal aid have become prisoners of unstable financing.

The development of clearly stated goals and a coherent set of policies to govern the Federal role in higher education has now become a national imperative.

In calling for coherent Federal policies we do not imply--and indeed we would strongly oppose--the concept of a nationally controlled system under a "ministry of education." We believe it is possible to develop broad Federal policies which will ensure that changing national needs are met without at the same time destroying the advantages of our present decentralization or threatening institutional autonomy. Safeguarding decentralization and institutional autonomy does not, however, mean

maintaining a status quo. Just as we oppose a national ministry concept, so we would oppose any concept of the Federal role intended merely to preserve the present institutional configuration of higher education.

We recognize that the predominant virtue of American higher education is pluralism. But pluralism, valuable as it is, also represents wide-spread fragmentation of the national effort. This applies in the same measure to hundreds of colleges and universities, to the fifty states and to the score or more of Federal departments and agencies involved in the support of higher education. Each of these elements alone has a limited perspective and a restricted view of total national needs. Governmental responses to these fragmented and limited perspectives have been a series of ad hoc commitments largely unrelated to each other and to a total national interest. Such responses, which at times bordered on the irresponsible, have however, been an inevitable product of the system itself, which provided no viable process through which the several sectors responsible for higher education could bring their views together in the formulation of national policies.

As we have reviewed the present situation both inside and outside government we have found no mechanism through which this vital planning process can take place. We conclude, therefore, that such a mechanism, providing for full participation of higher education itself, should be established, and we recommend that it be created within the Federal Government. That mechanism will also, we believe, provide for the communication with which the Secretary was concerned.

We are convinced, on the basis of our deliberations, that the

United States has reached the end of an era in the way it views its national provision for higher education. No longer can the growth and development of this vital aspect of the nation's life be a matter left to the exigencies of chance. No longer can it be assumed that the sum total of a multiplicity of separate efforts, essential as these are, will add up to a total effort that meets the national need.

What we propose, in brief, is that the Federal Government, as the single largest patron of higher education, take the required steps now to put itself in a position to examine its own role explicitly, fully and candidly and to plan this role for the future so that the Federal participation will be one of maximum effectiveness and leadership. The new era demands nothing less.

I. Introduction

The vast expansion of American higher education during the past quarter-century has thrust it into a position of great prominence in our national life. In response to extraordinary new demands for their services, the institutions of higher learning have rapidly expanded their faculties and facilities. This institutional growth, however, has often been difficult and painful, and it has seldom permitted prolonged reflection and rigorous assessment of the nature of the changes taking place.

The Federal Government played an important role in this rapid evolution of higher education. It was a major source of demands on the institutions of higher learning, but it was also a provider of some of the means for meeting these demands. The Federal involvement, which continues to grow, has been beneficial to many institutions, or at least to segments of many institutions; but it has created problems and distortions within the institutions. The need now exists for an immediate assessment of the Federal relationship to higher education, and a determination of how it can be put on a sound basis and be guided by consistent policies that will meet the needs of the institutions of higher learning and of the nation.

In this report the Advisory Committee on Higher Education surveys the increasing Federal involvement in higher education and examines the problems raised by this involvement as well as other problems neglected by the Government. The report then considers Federal participation in the context of recent significant changes in American society and how these changes have defined the Federal responsibility for higher education.

With this responsibility in view, the Committee sets forth three goals that the Federal Government should pursue in its relation to higher education and presents some examples of Federal policies designed to implement these goals. Based on its conclusion that the most serious problem of the past has been the lack of a satisfactory means of communication between the Federal Government and the leadership of the academic community, the Committee asks for the creation of a center within the Government that will provide this communication and will carefully consider the Federal role in higher education.

II. The Increasing Federal Involvement in Higher Education

Although the Federal Government has been involved in higher education from almost the very beginnings of our nation, World War II brought about a much closer relationship between it and the colleges and universities than has ever existed before. The purpose of the wartime partnership between the Government and the universities was to produce the scientific and technological advances essential to our national security. In this arrangement the Federal Government bought the services of the universities for defense purposes, while at the same time it helped to strengthen the scientific resources of these institutions.

The nature of the Federal-university relationship changed after the war. There was no decline, however, in the Federal involvement; in fact, it increased. The Government's interest in the production of scientific and technical knowledge continued to be a prime factor in its support of academic institutions. Indeed, it made a broader and deeper commitment to scientific research through the establishment of the Office of Naval

Research and the National Science Foundation and the National Institutes of Health.

The Federal Government has also sponsored and encouraged programs promoting equality of higher educational opportunity through financial assistance to students. The precedents for Federal aid to college students were established following the First World War and in the program of the National Youth Administration during the 1930's; but World War II brought about the first really massive student aid program, the Servicemen's Readjustment Act of 1944 ("G.I. Bill"). Although not conceived as a program to promote equal opportunity in higher education, but to help in the readjustment of returning veterans, the program nevertheless permitted many students who might ordinarily have been denied a higher education to go to college. Subsequent extensions of the "G.I. Bill" to cover veterans of the Korea and Vietnam conflicts, together with the passage of the National Defense Education Act, the College Work-Study program, the Educational Opportunity Grants program, and the Guaranteed Loan program, represented a thrust toward the reduction of financial barriers to a college education.

Within the last few years as well, there has been a recognition by the Federal Government of its responsibility to assist in funding rapid growth and modernization of higher education. Grants and loans toward the construction and renovation of facilities have helped to ease the stress of growth for a large number of institutions. Finally and most recently, there has been the initiation of limited Federal support of the arts and humanities.

III. Problems Raised by Federal Participation

The growth of Federal involvement along with the increased flow of Federal funds has often been beneficial, useful, and welcome. It has, however, created some critical problems. Behind most of these problems has been the absence of any policies clearly defining the Federal role in higher education, with a resultant lack of governmental awareness of the impact of Federal funding on individual colleges and universities. One of the consequences among institutions has been a grossly uneven distribution of Federal support which has brought about an overly heavy dependence of some universities on Federal financing, and has meant very meager Federal support for the vast majority of institutions. Within institutions, selective support of some functions regarded by the Federal Government as most closely related to the national interest has created distortions of academic development and thus threatened institutional autonomy. Furthermore, a lack of appreciation for the problems of institutions has led to the impositions of many onerous administrative regulations that have proved wasteful to the Government and the institutions.

In fiscal 1966, 70 percent of the Federal funds (including loans) received directly by colleges and universities went to only 100 out of the 2,200 institutions of higher learning. Although such a distribution might have been justified from the standpoint of supporting excellence and because these were among the largest institutions in the country, it still left very little Federal money for the remaining 2,100 schools and even created problems for the few "favored" ones receiving the bulk of the Federal funds. Some of the latter, with large proportions of the faculties

supported by Federal grants, became heavily dependent upon a source of financing that is essentially unstable, as has become apparent recently. Some other institutions extended themselves financially in order to embark upon programs they could not easily afford so that they could attract and then sustain a flow of Federal money.

All institutions receiving Federal support are faced with problems of distortion in their academic programs. Because the Federal money is generally provided with the intention of influencing a concentration of effort in particular areas, the goals of the Federal Government determine important policies of the institutions. The Government has largely limited its support to research and graduate training in certain fields conceived to be important to the national interest. Matching requirements inevitably drew university funds into these fields. Consequently, the possibility of university support of other fields at equivalent levels has been precluded. Federal support has, therefore, weakened the hand of university faculties and administrators in determining the balance within their own institutions. As Federal funds come to constitute an increasingly larger share of an institution's income, these problems become increasingly severe.

Federal policy, furthermore, has put undue emphasis on innovation, new programs, and new facilities. This has occasionally caused diversion of institutional effort into activities that for some schools were not appropriate. A more serious indictment of this policy is that it has been grossly inequitable in its operation. Valuable and well-established instructional programs have been denied support in favor of the unproven and untried. Past effort in providing buildings and facilities has not

been recognized in the programs of Federal aid. The cost of constructing these buildings and facilities has often placed a considerable burden on state, local, and private resources. The construction of medical schools, in particular, has proved to be extremely expensive and difficult to finance. Nevertheless, those states and localities that have not made the effort to provide such facilities now find themselves to be the beneficiaries of the present policies of Federal support precisely because they have not made the effort in the past.

The problems of unreasonable administrative regulations and reporting associated with Federal grants and contracts appear to be increasing rather than improving. At the basis of the difficulty is the inappropriate application by the Government of commercial criteria to university operations. There has not been sufficient recognition on the part of the Government that institutional autonomy, initiative, and creativity can be jeopardized when subjected to accountability requirements appropriate for industrial contracts.* Institutions of higher learning are fundamentally different from other groups and agencies with which the Government deals because they are not dedicated to making a profit from the Federal contracts, their product cannot be subjected to the usual and ordinary measures of economy or efficiency, and they cannot fulfill their functions properly without maximum freedom from external control. Furthermore, the controls and reporting requirements have proved to be extremely wasteful of faculty time and administrative effort. It is doubtful also that they have saved any of the taxpayer's money in the final analysis.

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*Easing of the time and effort reporting requirements by the NIH recently does represent a recognition of the problem by at least this one Federal agency. We applaud this move and hope for much further progress in this direction.

IV. Problem Areas Neglected by the Federal Government

While the presence of Federal funds has caused some major problems for institutions, the lack of such funds for vital purposes of these institutions has left other pressing problems unresolved.

Since most of the Federal funds for higher education have been allocated to a relatively small proportion of the institutions, the vast majority of schools could not hope for much financial relief from the Federal Treasury. And virtually no Federal money was available to defray rapidly rising instructional costs, which constituted the major financial problem of the institutions. From the viewpoint of the colleges and universities, therefore, whatever Federal money they received was often too little, and too late, and too limited.

Particularly hard-pressed have been some of the small, private colleges that have fought to maintain high quality while their financial resources were unable to keep pace with rising costs. Many public institutions have also found that state and local revenues could not be expanded as rapidly as their costs were rising. Many of the new special-purpose urban institutions have also struggled to get established with little financial help from the Federal Government.

But financial problems have not been confined to any one segment of higher education. The pressures for expansion have been extremely great on almost all institutions, and the usual sources of support have generally not been adequate to meet them. Twelve years ago, in the academic year 1955-56, there were 2.6 million students enrolled on a degree-credit basis in all of our institutions of higher education. That figure last year rose to 6 million, and by 1975 it is conservatively projected at more than

9 million, a 250 percent gain in two decades. While this enrollment explosion has been taking place, the costs per student have also increased by 41 percent. Although state and local contributions have risen considerably--more than four-fold during the past 12 years--these have now edged close to the political and economic limits of possible support from these sources. Private philanthropy, endowment earnings, and denominational support, which are the major sources of funding for more than half of our institutions of higher learning, have risen slightly, but not nearly as rapidly as costs. Both public and privately supported institutions have had to resort to tuition increases to bridge the financial gap. Some private institutions have even been forced to deplete endowment resources to meet operating expenses.

Not only has Federal policy neglected the needs of institutions in meeting instructional costs, some Federal programs have aggravated this problem. Specifically, the effects of student aid programs which require contributions by the participating institutions, such as the Work-Study program, are to make institutions pay part of the costs of a program that increases their enrollment and thereby their instructional costs. University administrators and governing bodies have cooperated in these programs presumably because they were sympathetic with the goals of lessening for all students the financial barriers to a higher education. But the value of the Government's pursuing such a policy as this seems highly questionable. If the Federal goal is to eliminate financial barriers to a higher education, it should pay the full costs of programs designed to achieve that goal; and if such programs tend to raise costs at institutions, the institutions should be reimbursed for such increased costs.

Another problem area neglected by the Federal Government is the need for an effective system of communications between it and the institutions of higher learning. Contacts between the two parties have been sporadic and fragmented, and have been related almost exclusively to policy implementation rather than policy formulation. There has been little or no dialogue in the past between the sponsors of proposed legislation affecting colleges and universities and the representatives of higher education. Thus, the higher educational community has been faced with limited alternatives in reacting to proposals after they have been drafted, or in adjusting to legislation after it has been passed.

It is quite possible that the problems delineated here would not have arisen had an adequate system of communications been established earlier. The fact that there has never been an effective institutionalized channel of communication between the responsible Federal officials and university faculties and administrators has not, until recent years, been a cause of great concern for either party since the relationship between the two was relatively uncomplicated and routine. But developments during the past decade have strengthened the Federal involvement in higher education and dependence upon universities, and the lack of effective communication now is threatening to undermine any Federal effort to strengthen higher education.

V. Changes in American Society Affecting Higher Education

One of the central features of American life in the Twentieth Century has been the increasing importance of knowledge. Daniel Bell has characterized ours as the "knowledge-centered society." Essentially,

this development is behind the mounting demands that are being placed on our colleges and universities. What had been a linear trend in the generation of new knowledge of all sorts in the last twenty years has become an exponential one. Along with this growth we have had a branching of new fields of knowledge and the creation of many new disciplines and sub-disciplines hardly even dreamed of a generation ago. Added to this proliferation of knowledge has been the development of a new "intellectual technology" which includes game theory, simulation, linear programing, cybernetics, and operations research.

It has taken mankind countless centuries to reach this point where the critical mass of knowledge is capable of producing a "chain reaction" in the generation of new knowledge. In most recent years, this knowledge explosion has been sparked by the Federal Government, working primarily through the universities and colleges. Private industry, foundations, and other levels of government have also made important contributions to the knowledge revolution, but a key factor in the generation of important new basic knowledge has been the Federal-university partnership. This accelerated rate of knowledge production is bound to continue since we will hardly choose to neglect the opportunity for human betterment that can result from a more thorough understanding of ourselves and our environment.

As the institutions of higher learning have contributed to the development of this knowledge-centered society, pressures have mounted for a vast expansion of the other major function of these institutions--the dissemination of knowledge. This new kind of society requires an ever-

widening dissemination and ever-longer and more thorough education. We are now rapidly moving toward acceptance of the concept of "continuing education" as old skills become obsolete and traditional subjects erode. In the knowledge-centered society individuals may find it necessary to prepare for as many as two or three different "careers" within and outside a particular field during a working lifetime. Furthermore, our industrial and governmental systems demand a continuously increasing supply of highly trained, well qualified talent, and the universities and colleges find themselves extremely hard pressed to meet these demands.

One of the significant implications of the central role of higher education has to do with social equalization. As knowledge has become more important in our society, education has become the chief determinant of a person's social position. In view of this, equality of educational opportunity is essential if we are ever to achieve social equality. To be realistic, we are a very long way from achieving equality of opportunity for post-secondary education in this country. Students from families in the lowest quartile of family income constituted last year only 4.5 percent of all college students. Non-whites made up an estimated 6 percent of all college students in 1966, although they constituted 12 percent of the population. The plight of those in the poverty sector of the economy and of most members of racial minorities will undoubtedly continue to deteriorate unless each qualified person is given substantially the same opportunity to obtain a higher education.

Another challenge that the institutions of higher learning face is produced by the rapid social changes and resulting dislocations that take place in our knowledge-centered society. Such a society is not without

its pressing problems, many of which stem, directly or indirectly, from the technological advances emanating from the vast increase in new scientific and technical knowledge. Environmental pollution, the ugliness and deprivations of urban life, the needs of the aged, the dilemma of the poverty-stricken, the continuously rising crime rate, are just a few of the problems left in the wake of rapid technological change. Increasingly in recent years the institutions of higher learning have come to recognize their responsibilities for meeting these problems. Occasionally they have had the help of the Federal Government, but often they have attacked these problems on their own initiative. Undoubtedly they could be doing more than they are, but probably a good deal goes on that is unnoticed, such as individual faculty members working in their own communities, applying their knowledge and expertise to local problems. One of the features of modern academic life that is obvious to almost all observers is that the "ivory tower" atmosphere has gone. The university and college are very definitely a part of the nation and part of the world. There is a great interchange of people now between the campus and government and the campus and industry, and a vast expansion in the number of contacts between members of academic institutions and the world outside the academies. This increased integration of the universities and colleges with the rest of society and concern with the problems of society is bound to continue, and will be enhanced in the coming years.

A related social purpose is also served by academic institutions through their major function of turning out well-educated individuals. It has always been the primary role of the colleges and universities to imbue their students with wisdom and mature judgment, to create a sensitivity to

the human condition and a awareness of social problems, and to heighten in them an appreciation for the cultural values of our civilization. University- and college-educated men and women will, quite naturally, assume the leadership in attacking the social ills of our era; moreover, as individuals they will also be more capable of finding meaning and purpose for themselves in the life of this era. The potentials are very great now for enhancing substantially the quality of life in our country. Our vast material progress has provided the opportunity for more people to enjoy the cultural, intellectual, and aesthetic aspects of life. The institutions of higher learning serve as the foci of the intellectual and established cultural life of the country, and provide a liberalizing education for all who pass through their doors.

VI. Federal Responsibilities for Higher Education

There are three basic reasons why the Federal Government should now recognize a primary responsibility for higher education in this country:

-----Higher education has now become a national as well as a state and local concern.

-----The Federal Government has become increasingly dependent on institutions of higher learning for services and training.

-----The Federal Government is the only social instrument with the scope, authority, and financial resources both to equalize educational opportunities and to provide for the necessary strengthening of our academic institutions.

The artificial political boundaries that separate one state from another continue to decrease in significance, and in no respect is this tendency more marked than in higher education. Although we have pointed out in the previous section that the colleges and universities perform some important services for their states and local communities, most of their activities serve a wider community. Certainly, the discovery of new knowledge has a national, if not international, relevance. Furthermore, students interested in obtaining a college education tend to disregard state boundaries. There is a considerable amount of crossing of state lines for those entering institutions of higher learning, and probably even more for those leaving. State governments attenpt to impede this process at the input phase by raising out-of-state tuition at their universities, but they have discovered no way of confining the graduates of public institutions within the state's boundaries. Even California, which generally benefits from the in-migration of graduates from institutions in other states, has discovered that almost half of the people graduating from colleges and universities within the state leave California by the time they are 45 years of age. This interstate mobility of students is substantial at the undergraduate level now, but it is even more prominent in the graduate and professional schools.

The national character of higher education raises questions about the wisdom and the desirability of placing the major burden of costs, especially for graduate education, on the states. Like many other aspects of life in this country, higher education has become a national concern and, as such, it is a legitimate concern of the Federal Government.

The Federal Government itself must depend heavily on the colleges and universities of the country to meet its ever-increasing need for well-educated and highly-trained personnel. A college education has become essential for most Federal executives at the middle-management level and above. Technical and scientific training is more in demand as the need for experts in almost all governmental operations is more widely recognized. Any review of the current educational and training specifications for Federal positions is convincing evidence that the Government should be concerned about maintaining and strengthening the source of this training and education. Even the armed services, which operate institutions for the training of its regular officers, must rely on colleges and universities for reserve officer training. In addition, almost 5,000 officers in the armed services attend institutions of higher learning today under special programs of the three services.

A further direct interest of the Federal Government is that institutions of higher learning be able to pursue research goals related to the basic missions of a large variety of Federal agencies. Federal support for research and development at universities amounts to approximately $1.5 billion annually. The Federal Government's need for this research continues to increase every year.

The Federal Government, on behalf of the nation, also has a direct interest in assuring a high level of education in the nation's electorate, and must depend on the universities and colleges to provide this. It is crucial to the preservation and workability of democracy here in America that the nation's electorate be informed and educated for the weighty responsibilities it must discharge. Our form of democracy and our knowledge-

oriented society impose an unusually heavy burden on the voters, requiring them to make intelligent decisions based upon considerable knowledge. Surveys have shown that the college-educated person, regardless of his area of specialization, is more knowledgeable about national and world affairs, is more interested in political affairs, and participates more actively in the political life of the nation, than does the person without a college education.

The third basic reason why the Federal Government must recognize its increased responsibility for higher education is that it alone has the scope, resources, and authority to achieve an equalization of educational opportunity and continue the strengthening of our system of higher education. Inequalities in higher educational opportunities exist among the residents of different states in the country and among members of various economic classes within these states. For example, residents of California, Wisconsin, or Michigan wishing to attend a college or university have the opportunity to choose from a variety of high quality institutions in their states and will have to pay very little in tuition or fees. Their choice may well devolve upon a school in their home community, and they will consequently be able to hold down some of the expenses connected with attending college or a university. A number of other states, however, do not provide such opportunities. State expenditures for higher education vary widely throughout the country, and there is little doubt that there is a corresponding variation in the quality of public higher education among the states. Generally the poorest states provide the lowest per-capita expenditures for higher education. This is unfortunate because the poorer states need to invest more money in higher education as a means of raising the income level

of their citizens. The governments in the low-income states should be spending more, not less, than those in the high-income states on student aid and on a variety of programs to assist the students from culturally and economically deprived families. Since they rarely can afford to do this, while the Federal Government can, the Federal responsibility for equalization of higher educational opportunity among the states is clearly defined.

Even in the states that provide the highest quality of public higher education and the most in the way of student financial assistance, large numbers of youth from the lower economic levels of society are unable to attend colleges or universities. For many of these young people, the existence of scholarships and the absence of tuition are insufficient incentives to get them into the institutions of higher learning. Few scholarships cover all the expenses of attending a college or university, and they do not immediately compensate for income foregone during the years of higher education. The lack of this income is extremely important to the poorer families which often must depend on the earnings of their college-age offspring. Furthermore, the economically deprived students who might otherwise be qualified for a higher education generally need additional motivation and preparation if they are to pursue a college degree. Programs such as "Upward Bound" represent only a meager beginning in this respect, and affect an insignificant proportion of potential students from low-income families.

VII. Federal Goals in Higher Education

The need for responsible action on the part of the Federal Government should be evident. As the Federal Government moves into a position of

primary responsibility for higher education, we will no longer be able to afford the casual, ad hoc style in which resources have been allocated to this sector. In the past Federal programs have been enacted as a response to short-range perceptions of need, flowing from the reports of task forces and advisory groups set up by the President, and from initiatives taken by influential private citizens, interest groups, and members of Congress. These groups have seldom considered costs and needs systematically. The result has been an essentially unplanned, uncoordinated, and fragmented Federal effort.

A greater Federal effort, rationally conceived and carefully planned, is long overdue. In proposing this, we do not seek to destroy the diversity and pluralism of American education; but we do believe that a greater amount of study and planning of the Federal role in higher education must take place.

The first requirement for a reform of Federal planning in this field is a determination of the goals toward which the Federal effort should be directed, and of the priorities among these goals. Our review of the Federal role in higher education suggests that the following long-range goals should be adopted:

1. The Federal Government must ensure that the nation possesses the necessary institutional facilities for higher education, adequate in quality, quantity, and variety to meet the society's total needs for teaching, research, and public service.

2. The Federal Government must ensure that there is equal access to higher education for all qualified American citizens, regardless of race, sex, place of residence, or financial ability. Equal access implies not only the removal of such irrelevant restriction to entry, but also the

enactment of measures that would make it possible for able young men and women with deficient educational backgrounds or with inadequate funds to undertake and complete their higher education.

3. The Federal Government must enhance the intellectual and cultural quality of American life by supporting those aspects of higher education that can lead to a fuller life for all this country's citizens. Behind the traditional American commitment to higher education is the belief that it indirectly benefits all of society, while directly enriching the lives of those individuals seeking a higher education. We have often lost sight of these values through our preoccupation with the demands of national security and economic well-being. Thus the means to the good life have often submerged consideration of the end itself. The Federal Government must resolve to promote the arts and humanities and the other cultural facets of higher learning to bring man closer to his fulfillment as a human being, and to bring the nation nearer to true greatness.

VIII. Selected Examples of Federal Policies

In order to serve these three goals a comprehensive set of policies governing Federal participation in higher education must be developed. The committee did not attempt to draw up an exhaustive list of such policies, but sets forth a number of them which it believes should be given highest priority.

A. Stabilize Federal funding operations.

An increased Federal involvement in higher education means that future Federal support must be placed on a more predictable and stable basis. University planners and administrators need to rely for some years in advance

on the stability and availability of funds for various programs. Sudden increases or cut-backs in Federal support make long-range planning impossible, cause serious dislocations in personnel, and are extremely wasteful of manpower and money.

B. Sustained excellence and achievement.

Federal policy should continue to support excellence and effective achievement. It can do so only by some concentration of outstanding faculties and special facilities in institutions of demonstrated or potential excellence, and concentrating resources on students who have demonstrated their ability to achieve. Negatively, it means avoiding the subsidization of students who cannot profit from higher education, and of institutions not qualified to provide it.

C. Recognize effective effort.

Federal policy needs to be altered to give greater recognition to past accomplishments of the institutions themselves. The undue emphasis on new programs and facilities has meant a denial of support for well-developed and proven programs of instruction. Effective efforts in the past by some institutions to provide themselves with adequate buildings and facilities have put these institutions at a disadvantage in gaining facilities grants and loans from the Government. Ways need to be found whereby institutions that have exerted leadership in the past are not penalized in the future for having done so.

D. Maintain diversity.

Diversity is a major reason for the progressiveness of our system of higher education. Retaining a number of Federal granting agencies and a wide range of Government programs avoids the "ministry of education"

concept and the danger of Federal control guided by a single orthodoxy. Furthermore, support should be provided so that it encourages diversity among the grantee institutions, although it should not be directed at merely preserving the present institutional configuration of higher education. Federal policy should ensure that changing national needs are accommodated without destroying the benefits of diversity and institutional autonomy.

Our institutional diversity has a major advantage in that it makes available to the student a wide range of choice. But to make this meaningful, a Federal program of student aid needs to be provided so that the student's choice is not limited by his own financial resources or by the supporting resources of the institution itself.

In addition, the principle of diversity implies that the Government should stimulate opportunities for a variety of types of post-secondary education. New entry points in American higher education must be established and expanded in order that all Americans may develop their potential, and in particular citizens in both rural and urban America who have suffered from cultural isolation and prolonged deprivation.

New knowledge contributing to rapid technological changes has created a rising demand for post high-school training as a requirement for effective entry into employment. New post-high school institutions, and particularly the two-year public community college, must be an "open door" to American higher education, offering programs to serve a wide range of human needs and readiness. The public community college can become a Twentieth Century counterpart of the land grant institutions.

E. Recognize special responsibilities for graduate and professional education.

The Federal Government should recognize that its interest is central and direct in the area of graduate and professional instruction. Not only is there considerally more inter-state migration to and from the graduate and professional schools than is the case in the undergraduate divisions, but manpower training at the graduate and professional levels is more closely related to the priorities of Federal needs. The differential costs on instruction at different levels (professional and graduate vs. undergraduate; upper division as compared to lower division) are substantial and should be reflected in any program of support.

F. Encourage development of national and regional facilities.

A more effective utilization of national resources may often be achieved through establishment of national and regional facilities for instruction and research that can be used by a large number of institutions and their students. The Government could encourage their establishment by making grants to consortia of institutions brought together for this purpose, e.g., hospitals, research libraries, computer centers, and nuclear accelerators. Thus the Government itself would not need to establish new facilities in order to serve these needs.

G. Establish reasonable administrative procedures.

Since one of the major difficulties encountered by institutions receiving Federal funds is the burdensome accounting and reporting procedures imposed by the Government, another policy would be to design the Federal programs so that the administrative burden will be held at a minimum. Recognition of the differences in the purposes and procedures of institutions

of higher learning as compared to those of the private business organization will make possible a great reduction of wasteful accounting and reporting requirements. The possibility that the expenditures of Federal funds at institutions of higher learning do not require any Federal audit should be seriously investigated. If this, in fact, proves to be the case, the savings in time, energy, and money would prove incalculable.

H. Encourage other sources of support.

The danger exists that when the Federal Government begins to participate in the financing of projects and activities, previous sources of support will begin to withdraw. The system of higher education in this country would not be benefited--in fact, it would be harmed--if Federal funds merely replaced state, local and private funds. The responsibility of the Federal Government for the strength of our institutions of higher education in no way implies that the Federal Government must take over the financing of all higher education. Federal funding programs should provide for a maintenance of effort by state and local governmental units and private sources as a requirement for receiving Federal support. We should continue and broaden the policy of stimulating charitable contributions of higher education through tax incentives.

I. Revise matching requirements.

The matching principle has been employed in the past to assure participation by non-Federal sources, but its use should be carefully reviewed to eliminate or minimize some of the inequities it has caused. The tendency of Congress to make uniform matching requirements for all programs reveals a lack of concern for the financial problems of institutions. All the Federal programs in support of higher education should be analyzed to

determine if matching requirements are justified in each case and, if so, how they can be designed and administered to minimize the strains of the financial bases of academic institutions. There is no justification for matching provisions in student-aid programs, and such provisions should immediately be removed.

J. Study and plan for future needs.

A continuous review and monitoring of the state of higher education in this country have now become a necessity. We can no longer get by with hastily designed programs to meet immediate, pressing needs. We require a great deal of information and study on which to base forecasts of future needs, and we have to begin planning the Federal role in higher education with care and deliberation. These study and planning functions are the responsibility of both the Federal Government and the institutions of higher learning. They can be carried out successfully only if representatives of the academic community and the Government work closely together in a setting that can assure maximum awareness of the needs and problems of all concerned.

IX. Recommendations for a Mechanism of Communication and Planning

To provide for a continuous monitoring, assessment and planning of higher education in America, we recommend the establishment in the Federal Government of a "National Council on Higher Learning." In determining how such a Council should be established, what its functions should be, and where it should be located in the Government, we have sought to bring into balance the necessity of providing a forward-looking instrumentality that could plan effectively with the desirability of retaining the diversity and pluralism of American higher education. We have also sought to design a

mechanism that ensures the full participation of higher education itself, and creates the means for continuous communication with the Federal Government.

Our specific recommendations regarding the proposed Council are as follows:

1. The National Council on Higher Learning should be located in the Office of the Secretary of Health, Education, and Welfare. We regard the location of the Council as extremely important, and have come to this conclusion after considering a number of alternative locations. The major alternative examined was the Executive Office of the President, which could have provided a broader overview of higher education. But it was determined that the Office of the Secretary of HEW would be the preferable location, for the Secretary is the official to whom the President looks for advice and counsel on higher education, and this Department contains most of the programs affecting higher education, as well as most of the Government's experts in this field. Furthermore, the trend is for even greater consolidation of such programs into this Department. Few, if any, major policy proposals in this field would be adopted without having been channeled through the Office of the Secretary, and without bearing his endorsement. Also, the fact that any new Federal programs or policies, for all practical purposes, will have to be built on existing ones argues for putting the Council in close proximity with the department having primary responsibility for these programs and policies. We should stress, however, that the grant of authority should be broad enough so that the Council can take a complete overview of all of higher education, including Federal programs administered outside of HEW.

2. The National Council on Higher Learning should perform the following functions:

a. Communication and deliberation. The Council would serve as a forum for the discussion of the major issues, consideration of the future needs, and deliberation on the the Federal Government's role, in higher education.

b. Research and data gathering. The Council and its staff would collect and process statistics and other information relating to the state of higher education in America. With its own staff, or by means of special panels and research contracts, it would undertake to study major problems at its own discretion, and would consider suggestions for studies from the Secretary of HEW, from the White House, or from Congress. (In performing these functions, the Council would coordinate its activities closely with the Office of Education in order to avoid duplication of effort. The Council staff should, however, be granted full access to all the unprocessed data retained by the Office of Education.)

c. Assessment of priorities and adequacy of existing policies. Based on its research and deliberations, the Council would establish a set of priorities for programs in the field of higher education, formulate a long-range plan for Federal participation in the development of higher education, and make assessments of the adequacy of policies and programs at all levels pertaining to all sections of higher learning. The Council would be directed to make

annual reports to the President and Congress on the status of higher education in the nation which would also identify areas needing legislative attention. The Council would be available to Congress for testimony on questions of the Federal role in higher education, and for assistance in drafting of legislation.

3. The membership of the National Council on Higher Learning would include individuals broadly experienced and knowledgeable in all facets of American higher education. What is needed essentially is a forum where individuals with broad and deep concern for higher learning can engage in a high-level, dispassionate, and informed discussion of the problems and future of higher education. We are therefore not so much in need of machinery for the reconciliation of the interests of various segments in the higher-education community as for an arrangement which can submerge these interests in a concern for improving the nation's total system of higher education. Thus, the members of the Council should be chosen as individuals and not as representatives of associations or segments of the higher-education community. The Council could also assist in the establishment of functional sub-groups in higher education throughout the country. These sub-groups might then make nominations for membership on the Council. We recommend that the Council contain approximately 15 members. A body of this size should be large enough to include a wide variety of viewpoints but small enough to facilitate discussions and deliberations. The Secretary of HEW should have the authority to appoint the members of the Council to serve at his pleasure.

4. The Council should be assisted by a full-time staff, which would also be located in the Office of the Secretary of HEW. The staff would consist of experts and researchers in various facets of education. The Chairman of the Council would also serve full-time and act as a director of the Council's staff. In addition, two or three other members of the Council would have full-time status, and, with the Chairman, serve as an executive committee to the Council.

5. Existing associations in the fields of higher education should continue to perform their valuable function of representing the various interests in higher education to the Executive Branch and to Congress. From time to time the National Council on Higher Learning would no doubt find it useful to call on representatives of the associations to testify before it, or to serve on panels of the Council. In this manner, a liaison with the various segments of the higher educational community and the Council might be established, and the views of these segments given full consideration in the deliberations of the Council.

6. Finally, we recommend that the Federal Interagency Committee on Education (FICE) be strengthened and provided with sufficient authority to coordinate all Federal programs in the field of education. Since the proposed Council would not have operating responsibilities within the Federal Government, there will continue to be a need for an inter-departmental committee of Federal officials such as FICE to perform those coordinating functions. Because FICE is potentially the clearing-house for all Federal programs dealing with education, including higher education, a close liaison with the Council should be established and maintained. One device

for achieving this would be to have the Chairman of the Council become an ex officio member of the Federal Interagency Committee.

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The proposal to establish a National Council on Higher Learning is based on the recognition that the Federal Government has a primary responsibility for ensuring the vitality and strength of American higher education and its availability to all who can benefit from it. In view of this responsibility, the unplanned, wasteful process of the past needs to be replaced by one based on foresight, planning, and a coherent set of national policies. The creation of a National Council on Higher Learning is an essential and significant step in providing a means of guiding the future growth of higher education to meet the nation's needs fully and effectively.